

THE HONORABLE

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

ZOOMINFO TECHNOLOGIES LLC,
a Delaware limited liability company,

Plaintiff, } Case No.

COLLABERA, INC., a New Jersey corporation,

Defendant.

CASE NO.:

**COMPLAINT FOR DAMAGES
AND INJUNCTIVE RELIEF**

JURY TRIAL DEMANDED

Plaintiff ZoomInfo Technologies LLC (“ZoomInfo”),¹ for its complaint against Collabera, Inc. (“Collabera”), alleges as follows:

INTRODUCTION

1. ZoomInfo curates a highly accurate database of information used by businesses worldwide in connection with their business-to-business sales, marketing, and recruiting. ZoomInfo invests millions of dollars annually to build and maintain its database and associated intellectual property and to constantly verify, update, and expand upon the information it provides to customers. To use this database, ZoomInfo's customers pay tens and sometimes hundreds of

¹ ZoomInfo is the successor in interest of DiscoverOrg Data, LLC. For convenience, Plaintiff will refer to both entities as ZoomInfo.

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1 thousands of dollars in subscription fees and agree to restrictive license
 2 agreements. The success of ZoomInfo's business model depends on a customer's
 3 compliance with the restrictive license agreements that secure the exclusivity of
 4 ZoomInfo's database.

5 2. Collabera began its relationship with ZoomInfo in 2016 by executing
 6 a one year subscription agreement that permitted only two of its employees license
 7 to access ZoomInfo's database. Recognizing the value of ZoomInfo's data to its
 8 business, Collabera entered into another subscription agreement in 2017 that gave
 9 twelve employees access to ZoomInfo's platform. But instead of complying with
 10 the restrictive license terms like other customers, Collabera knowingly and
 11 intentionally breached the subscription agreement by sharing ZoomInfo's data with
 12 more than 30 unauthorized users. This breach resulted in the unauthorized
 13 download of more than 490,000 records from ZoomInfo's database. ZoomInfo
 14 therefore brings this suit to protect its highly valuable intellectual property, recover
 15 its damages, and ensure fairness for itself and for its customers.

PARTIES

17 3. ZoomInfo is a Delaware limited liability company. Its principal place
 18 of business is located in Vancouver, Washington.

19 4. Collabera is a New Jersey corporation. Its principal place of business
 20 is located in Basking Ridge, New Jersey.

JURISDICTION AND VENUE

22 5. This Court has subject matter jurisdiction over the federal claim under
 23 28 U.S.C. § 1331. This Court also has supplemental jurisdiction over the state law
 24 claims under 28 U.S.C. § 1337.

25 6. This Court has personal jurisdiction over Collabera, because it has
 26 purposefully availed itself of the privilege of doing business in this district.
 27 Specifically, Collabera entered into multiple, multi-year contracts with ZoomInfo,
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which Collabera knew or should have known was a resident of Washington. By doing so, Collabera reached into Washington to create continuing relationships and obligations with a resident of the forum and the forum itself. These continuing relationships with Washington are evidenced by the contracts' Washington choice of law provision, as well as the extensive pre and post contract communications Collabera had with ZoomInfo's Washington-based employees over multiple years. Thus, Collabera specifically directed its conduct at ZoomInfo, an entity established in Washington and suffering harm in Washington, by breaching its contracts and misappropriating ZoomInfo's trade secrets.

7. Venue is proper in this district, because a substantial part of the events or omissions giving rise to the claim occurred in this district. 28 U.S.C. § 1391(b)(2).

FACTS AND ALLEGATIONS

A. ZoomInfo's Platform.

8. ZoomInfo provides business-to-business marketing data including business contact data, firmographic information, and other competitive intelligence. It delivers this data to paying subscribers via a password-secured, online graphical user interface. ZoomInfo's subscribers gain access to its database of marketing information profiling businesses in the United States and across the globe. ZoomInfo has been recognized as an industry leader in sales and marketing intelligence. The depth, breadth, and accuracy of ZoomInfo's database is unrivaled in the marketplace.

9. ZoomInfo has invested and continues to invest tens of millions of dollars to develop and maintain the infrastructure, content, and quality of its database. To deliver timely and comprehensive data to ZoomInfo's clients, ZoomInfo employs approximately 200 research analysts focused on building, managing, and updating ZoomInfo's database. ZoomInfo expends substantial

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1 labor, time, and resources to collect, organize, and disseminate the information in
 2 its database. In total, ZoomInfo employs more than 1,000 people and has made
 3 significant investment in developing and purchasing software, hardware, and other
 4 equipment to continuously update and support the accuracy and
 5 comprehensiveness of its database. ZoomInfo's database displays the selection,
 6 arrangement, orchestration, compilation, and presentation of the organizational
 7 charts, contacts, and other information collected and assembled by ZoomInfo's
 8 analysts.

9 10. ZoomInfo licenses access to its database to thousands of companies.
 10 ZoomInfo's database is valuable to companies like Collabera because they use the
 11 detailed information collected by ZoomInfo to market their own products and
 12 services.

13 11. The database's value depends on its exclusivity. To protect the
 14 database's value, ZoomInfo has implemented reasonable security measures. For
 15 example, access to ZoomInfo's database requires a password, and only authorized
 16 users that have signed restrictive license agreements receive this password.
 17 ZoomInfo also uses mail monitoring and list protection to secure the integrity of its
 18 database.

19 **B. Collabera and ZoomInfo's Agreement.**

20 12. On or around November 10, 2016, the parties executed a subscription
 21 agreement that granted Collabera access to a subset of ZoomInfo's database for
 22 two authorized users ("First Subscription Agreement"). This subscription
 23 agreement expired one year after the date of execution. A true and correct copy of
 24 the First Subscription Agreement is attached as **Exhibit A**.

25 13. Collabera, finding value in ZoomInfo's database, executed another
 26 subscription agreement on or around September 13, 2017. ("Second Subscription
 27 Agreement"). The Second Subscription Agreement granted twelve of Collabera's

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1 employees access to a subset of ZoomInfo's database for one year. A true and
2 correct copy of the Second Subscription Agreement is attached as **Exhibit B**.

3 14. By executing the subscription agreements, Collabera agreed to be
4 bound by the terms of ZoomInfo's End User License Agreement ("EULA"). A
5 material term of the EULA is Section 4.2, which provides that Collabera must not
6 permit anyone who is not an authorized user to access or use ZoomInfo's data.

7 15. Section 6.4 of the EULA also provides that Collabera must make
8 commercially reasonable best efforts to prevent unauthorized access to or use of
9 ZoomInfo's data. A true and correct copy of the EULA is attached as **Exhibit C**.

10 **C. Collabera's Wrongful Conduct.**

11 16. Collabera did not comply with its obligations under the EULA. On or
12 around June 27, 2019, ZoomInfo learned that Collabera abused and breached its
13 license by sharing data with unauthorized employees. Through an investigation,
14 ZoomInfo captured e-mails sent by 39 different Collabera employees who are not,
15 and have never been, designated as authorized users. The investigation also
16 revealed that Collabera allowed these unauthorized users to download at least
17 498,643 records from ZoomInfo's database.

18 17. Collabera acted knowingly, intentionally, and willfully in sharing
19 access to and use of ZoomInfo's proprietary information without authorization and
20 without compensating ZoomInfo. Collabera wrongfully profited from its
21 unauthorized use of ZoomInfo's proprietary information by reducing the time,
22 effort, and expense associated with identifying and contacting potential new
23 customers and business opportunities.

24 18. Collabera knew that ZoomInfo's data was confidential, proprietary,
25 and subject to the EULA. Even so, Collabera knowingly shared access to
26 ZoomInfo's data to unauthorized employees without paying ZoomInfo. Collabera
27

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1 has wrongfully profited from these activities and has reduced the market value of
2 ZoomInfo's database.

3 **FIRST CLAIM FOR RELIEF**

4 **(Breach of Contract)**

5 19. ZoomInfo incorporates herein by reference the allegations in
6 paragraphs 1 through 18.

7 20. ZoomInfo has performed its obligations and met all conditions
8 precedent under the EULA.

9 21. Collabera's intentional sharing of access to and use of ZoomInfo's
10 data to unauthorized users is a material breach of the EULA.

11 22. As a direct and proximate result of this breach of contract, ZoomInfo
12 has been damaged in an amount to be determined at trial but no less than \$117,000.

13 **SECOND CLAIM FOR RELIEF**

14 **(Theft of Trade Secrets – 18 U.S.C. § 1832 *et seq.*)**

15 23. ZoomInfo incorporates herein by reference the allegations in
16 paragraphs 1 through 22.

17 24. ZoomInfo gathers, organizes, generates, collects, and assembles in-
18 depth commercially valuable information (including reporting structures, contact
19 information, and other data), expending substantial time, labor, and expense to do
20 so. ZoomInfo's database and the information contained therein comprise a
21 compilation of business information. This information is used in interstate
22 commerce.

23 25. The compilation of information in ZoomInfo's database derives
24 independent economic value from not being generally known to, and not being
25 readily ascertainable through proper means by, those who are not licensed by
ZoomInfo to access the database. Specifically, ZoomInfo works as a subscriber-
based platform; to gain access to ZoomInfo's collection of information, subscribers

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1 must pay a fee. Therefore, ZoomInfo's very business model depends on the secrecy
 2 and independent value of its information. If subscribers could get ZoomInfo's
 3 information elsewhere for free or by paying less, they would.

4 26. ZoomInfo has taken reasonable measures to protect and keep the
 5 information in its database secret. These measures include limiting access to those
 6 customers who agree to the terms of access in the licensing agreement and requiring
 7 password authentication to access the database through its secure online portal.
 8 ZoomInfo also monitors access to the database and use of the information to further
 9 ensure its security.

10 27. Collabera used improper means, including breach of its contractual
 11 duty to maintain the data's secrecy or limit its use, to share access and use
 12 information from ZoomInfo's database without authorization. Collabera knew or
 13 had reason to know, at the time it shared access to and use of ZoomInfo's data to
 14 unauthorized employees, that it owed a contractual duty to ZoomInfo to maintain
 15 the data secret or limit its use.

16 28. Collabera willfully and maliciously misappropriated ZoomInfo's
 17 trade secrets by using the information contained in ZoomInfo's proprietary
 18 computer systems for Collabera's financial gain without authorization.

19 29. Collabera's actions have damaged ZoomInfo through the lost
 20 opportunity to realize licensing revenue and the diminution of the market value of
 21 its proprietary information. Collabera has been unjustly enriched by the use of
 22 valuable marketing and sales information without paying compensation and
 23 through the consummation of business transactions that would not have occurred
 24 without use of the stolen information. ZoomInfo would, in the alternative, be
 25 entitled to a reasonable royalty for Collabera's use of the information.

26 30. Collabera is liable to ZoomInfo for damages for ZoomInfo's actual
 27 losses and Collabera's unjust enrichment, in an amount to be proven at trial, or for

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1 a reasonable royalty pursuant to 18 U.S.C. § 1836(b)(3)(B). ZoomInfo is entitled
 2 to an injunction preventing Collabera from continuing to possess or use information
 3 obtained from ZoomInfo's database without authorization, or requiring Collabera
 4 to pay a reasonable royalty for future use. Finally, ZoomInfo is entitled to
 5 exemplary damages under 18 U.S.C. § 1836(b)(3)(C), and to its reasonable
 6 attorney's fees under 18 U.S.C. § 1836(b)(3)(D).

THIRD CLAIM FOR RELIEF

(Misappropriation of Trade Secrets – RCW 19.108.010 *et seq.*)

9 31. ZoomInfo incorporates herein by reference the allegations in
 10 paragraphs 1 through 30.

11 32. ZoomInfo gathers, organizes, generates, collects, and assembles in-
 12 depth, commercially valuable information (including reporting structures, contact
 13 information, and other data) expending substantial time, labor, and expense to do
 14 so.

15 33. Collabera intentionally, and without permission, shared access to
 16 ZoomInfo's database to 39 unauthorized employees. Collabera did so in breach of
 17 its contractual duty under the EULA to maintain the data's secrecy or limit its use.

18 34. ZoomInfo has lost profits and suffered the diminution of the market
 19 value of its database because of Collabera's actions. As a result, Collabera is liable
 20 to ZoomInfo for ZoomInfo's actual losses and Collabera's unjust enrichment, in an
 21 amount to be proven at trial. ZoomInfo is entitled to an injunction preventing
 22 Collabera from continuing to possess or use information obtained from ZoomInfo's
 23 database, or requiring Collabera to pay a reasonable royalty for future use. Finally,
 24 ZoomInfo is entitled to exemplary damages under RCW 19.108.030(2), and to its
 25 reasonable attorney fees under RCW 19.108.040.

PRAYER FOR RELIEF

ZoomInfo prays for the following relief:

1. Entry of judgment in its favor and against Collabera on all counts;
2. A declaration that Collabera's unlawful conduct was willful and knowing;

3. As to its First Claim for Relief, ZoomInfo's actual damages in an amount to be proven at trial, but not less than \$117,000;

4. As to its Second Claim for Relief, ZoomInfo's actual damages, restitution for Collabera's unjust enrichment, or a reasonable royalty, in an amount to be proven at trial;

5. As to its Third Claim for Relief, ZoomInfo's actual damages, restitution for Collabera's unjust enrichment, or a reasonable royalty, in an amount to be proven at trial;

6. For all of ZoomInfo's costs incurred in the prosecution of this action, including attorneys' fees, as authorized by Section 13.1 of the EULA and as permitted by 18 U.S.C. § 1836(b)(3)(D) and RCW 19.108.040; and

7. For other such relief as the Court deems just and proper.

DATED: March 6, 2020

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